



January 28, 2004

Jennifer J Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington DC 20551
Via email to regs.comments@federalreserve.gov

RE: Proposed rules to establish more uniform standards for providing disclosures under five consumer protection regulations: B (Equal Credit Opportunity); E (Electronic Fund Transfers); M (Consumer Leasing); Z (Truth in Lending); and DD (Truth in Sayings)

Dear Board of Governors:

Thank you for this opportunity to comment on the above proposals on behalf of the Pennsylvania Bankers Association, the statewide trade association representing approximately 200 banks, bank and trust companies, savings banks and savings associations in the Commonwealth.

We understand that the Board had a laudable goal of regulatory consistency in mind when it issued this proposal, but we do not think that goal would be met. It is PBA's belief, based upon consultation with its members, that the proposed changes, if adopted, will have a significant adverse and costly effect on banks; the proposals will impose a huge compliance burden on banks, promote lawsuits and potential liability for good faith compliance, and lengthen disclosures.

The proposals would adopt a universal definition of "clear and conspicuous" that encompasses "designed to call attention to" and "reasonably understandable." For regulations such as Regulation Z, this goes beyond the current requirement that disclosures be noticeable. The requirement that the disclosures be "reasonably understandable" is new.

Our members have a number of concerns with these proposals:

They are concerned that they will face lawsuits that quibble over whether disclosures could have been made more understandable by minutia such as different margins or bullet points.

Our members believe that they will have to lengthen current disclosures in order to comply – an action which would make disclosures less understandable to consumers, not more so. They do not view Regulation P's disclosures as comparable to those required under the other regulations. Regulation P does not provide for civil liability – the other regulations do.

In addition, there is no evidence of a need for these proposals, much less a need of the magnitude that would justify the additional regulatory burden and expense of compliance and the new exposure to liability our members believe they would face.

We respectfully request that the proposal be withdrawn

Sincerely,

Louise A. Rynd _____

Louise A. Rynd
General Counsel